## THE DIRECTOR OF CENTRAL INTELLIGENCE WASHINGTON, D. C. 20505

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The President The White House Washington, D.C. 20500

Dear Mr. President,

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Jack Marsh called to my attention your concern about the attached advertisement which contains an open letter to you signed by several Members of Congress. The letter suggests that Mexico is in the process of having a Communist regime imposed on it.

The open letter was extensively published about four weeks ago in the Mexico City press. Editorial comment in general criticized this intervention by the colossus of the North in Mexican events.

It should be noted that as the letter states, while there is considerable violence, kidnappings and terrorism, an observer could conclude that Mexico is in serious straits. However, the conclusion in the letter that these events are taking Mexico toward the imposition of a Communist regime is simply not true.

The recent staggering growth of the Mexican population is exerting increasing significant social and economic pressures on the cities and on the rural areas. While persistent migration toward the cities is creating difficult problems for the existing infrastructure, the number of landless and hungry peasants is also increasing. The government, which is well aware of the potential to violence as a result of this situation, is proposing radical new laws for urban settlement and a further redistribution of irrigated land. These two measures are among the most controversial in recent Mexican political history but are unlikely to stop the violence which is currently spreading in the new productive agricultural areas.

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The controversy and heat of debate generated by these proposed laws suggest that the government's job to reconcile the various interests concerned will not be an easy one. The Government of Mexico views the threats to political stability and internal security with concern. However, these laws can in no way be termed as Communist inspired.

The Chileans mentioned in the letter were associated with President Allende of Chile and are currently living in Mexico City with the approval of the Mexican Government who granted them exile status. However, in no way can they be considered advisors of President Echeverria.

In summary, it should be noted that the Mexican political and economic situation still continues to be stable, but the outlook over the next decade is serious and should be watched carefully by the U.S. Government.

Respectfully,

George Bush

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